



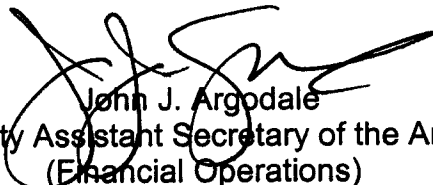
REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
FINANCIAL MANAGEMENT AND COMPTROLLER
109 ARMY PENTAGON
WASHINGTON DC 20310-0109
NOV 29 2005

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Electronic myPay Documents

1. Effective January 1, 2006, employees with customized myPay Personal Identification Numbers (PINs) will be required to obtain their Leave and Earnings Statements (LESs) and W-2s electronically. All supervisors and managers should emphasize to their employees the need to obtain a customized PIN, with the aim of turning off the mailing of all LESs by October 1, 2006. (see enclosure)
2. In March 2000, the Defense Finance and Accounting Service (DFAS) launched myPay, an online service that allows members of the Department of Defense and retirees to manage their pay in a secure and convenient manner anywhere and anytime.
3. Implementing this plan provides several benefits for both the employee and the Army. Employees will be able to view 26 pay periods of LESs online via myPay, as well as an improved online LES product. As employees become more familiar with the features of myPay, they will find that they have a more direct control of their finances and the timing of certain pay actions. Additionally, the reduction of mailed copies will improve the security of employees' financial and personal data. Advantages for the Army include improved customer service and the potential of saving up to \$2M dollars a year.
4. This approach encourages the use of the cutting-edge technology that currently exists. Our employees will begin to recognize the advantages of being able to obtain their LESs and W-2s, 24 hours a day, from any location with an Internet connection.
5. If you have any further questions, my point of contact is Mr. Juan DeJesus. He can be reached (407) 646-4442 or via e-mail at juan.a.dejesus@dfas.mil.


John J. Argodale
Deputy Assistant Secretary of the Army
(Financial Operations)

Enclosure

DISTRIBUTION:

Office, Secretary of the Army, ATTN: SAAA-RM, Washington, DC
20310-0105
Office, Acquisition Support Center, ATTN: SFAE-RM

COMMANDER:

U.S. Army Europe and Seventh Army, ATTN: AEAGF-RM, APO AE 09014
U.S. Army Forces Command, ATTN: AFRM-FB, Fort McPherson, GA 30330-6000
Eighth U.S. Army, ATTN: EARM, Unit #15236 APO AP 96205-0009
U.S. Army Materiel Command, ATTN: AMCRM, 9301 Chapek Road., VA 22060-5527
U.S. Army Training and Doctrine Command, ATTN: ATRM, Fort Monroe, VA 23651-5000
U.S. Army Pacific, ATTN: APRM, Fort Shafter, HI 96858-5100
U.S. Army South, ATTN: SORM, Fort Buchanan, P. R. 00934-3400
U. S. Army Network Enterprise Technology Command, ATTN: NETCOM-RM,
2133 Cushing Street, Suite 3000, Fort Huachuca, AZ 85613-7070
U.S. Army Medical Command, ATTN: MCRM, Fort Sam Houston, TX 78234-6000
U.S. Army Intelligence and Security Command, ATTN: IARM, 8825 Beulah Street, Fort Belvoir,
VA 22060-5246
U.S. Military Entrance Processing Command, ATTN: MRM-FM, 2500 Green Bay Road, North
Chicago, IL 60064-3094
Military Traffic Management Command, ATTN: MTRM, 200 Stovall Street, Alexandria, VA
22332-5000
U.S. Army Criminal Investigation Command, ATTN: CIRM-ZA, 6010 6th Street, Room 321, Fort
Belvoir, VA 22060-5506
U.S. Army Special Operations Command, ATTN: AOFI-RM, Fort Bragg, NC 28310-5200
U.S. Army Space and Missile Defense Command, ATTN: SMDC-RM-A, PO Box 1500,
Huntsville, AL 35807-3801
U.S. Army Military District of Washington, ATTN: ANRM, 103 3rd Ave, Fort Lesley J. McNair,
Washington, D.C. 20319-5050
U.S. Army Finance Command, ATTN: SFFM-FC-ZA, 8899 56th Street, Indianapolis, IN
46249-3000
U.S. Army Corps of Engineers, ATTN: CERM-ZA, 441 G Street NW, Washington, D.C.
20314-1000
U.S. Army Test and Evaluation Command, ATTN: CSTE-RM, 4501 Ford Avenue, Alexandria,
VA 22302-1458
U.S. Army Community and Family Support Center, ATTN: CFSC-FM, 4700 King Street,
Alexandria, VA 22302-4401
U. S. Army Audit Agency, 3101 Park Central Drive, Alexandria, VA 22302-1596
175th Finance Command, ATTN: EAFC, Unit#15300, APO AP 96205-0073
266th Finance Command, ATTN: AEUFC-PA, Unit 29001, APO AE 09007
13th Finance Group, Fort Hood, TX 76544-5056
18th Soldiers Support Group, ATTN: AFZA-SG, Normandy Drive, Fort Bragg, NC 28310
U.S. Southern Command, ATTN: SCJ8-CM, Miami, Florida 33172-1217
U. S. Army European Command, ATTN: ECCM, APO AE 09128

Director, U. S. Army Contracting Agency, ATTN: MTRM, Suite 302, Skyline 6, 5109 Leesburg
Pike, Falls Church, VA 22041-3201
Director, Installation Management Agency, ATTN: SFIM-RM, 2511 Jefferson Davis Highway,
Taylor Building-Crystal City, Arlington, VA 22202
Superintendent, U.S. Military Academy, ATTN: MARM, West Point, NY 10996-5000
Chief, U.S. Army Reserve, ATTN: DAAR-CO, Washington, D.C. 20310
Chief, Army National Guard Bureau, ATTN: NGB-ARC, 1411 Jefferson Davis Highway,
Jefferson Plaza 1, Arlington, Virginia 22202
Commandant, U.S. Army Finance School, Fort Jackson, SC 29207-7045
President, National Defense University, BG 62, George C. Marshall Hall, Fort Lesley J. McNair,
Washington, DC 20319-5066



OFFICE OF THE SECRETARY OF DEFENSE
WASHINGTON, DC 20301



APR 29 2005

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF
DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF
DEFENSE
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR, PROGRAM ANALYSIS AND EVALUATION
DIRECTOR, NET ASSESSMENT
DIRECTOR, FORCE TRANSFORMATION
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Policy for Electronic Wage and Tax Statements and Leave and Earning
Statements Through myPay

In support of the President's Expanded Electronic Government Initiative, the Defense Finance and Accounting Service will provide Wage and Tax Statements (W-2) and Leave and Earnings Statements (LES) in electronic format for military and civilian personnel who view their pay data on the myPay website. Eliminating hard copies of these paper documents and providing electronic copies through myPay will save several million dollars and mitigate the risk of identity theft.

For several years, myPay has provided military members and civilian employees with a secure method to view, print, and save their LES and W-2 electronically. It also gave the military member and civilian employee the ability to change the delivery method of their W-2 or LES from printed and mailed hard copies to electronic copies. In other words, personnel could "turn off" receipt of hard copies in the past. Under this new policy, military members and civilian employees who log on to myPay after a date specified on the homepage will be consenting to receive electronic copies of their W-2 and LES, unless they elect to "turn on" receipt of hard copies by selecting that delivery option on the myPay website. As in the past, personnel may request one delivery method for a copy of their W-2 but another for the LES.



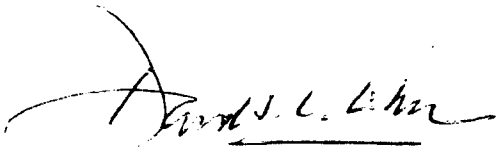
Enclosure

A marketing plan is being developed to notify all individuals about the pending change, which will include LES remarks and notices on the myPay website. Employees and members who do not access myPay after the effective date of this policy will continue to receive hard copy documents, unless they previously opted for electronic copies.


The electronic W-2 is usable for all income tax purposes and is sanctioned by the Internal Revenue Service. It also may be used with an individual's state income tax return. To ensure all members and employees receive a W-2 each year, members and employees will not be authorized to change their election through the myPay input screen from an electronic W-2 to hard copy W-2 during December and January. However, military and civilian personnel still will be able to request a hardcopy W-2 through their local servicing finance office or customer service representative during this period and throughout the year. In addition, changes to tax withholdings are permitted continuously throughout the year.

This policy is effective for all military members and non-bargaining civilian employees. Management first must fulfill all bargaining obligations before effecting this change for civilian personnel in bargaining units. Consistent with applicable law, please notify all appropriate exclusive representatives immediately to begin the negotiation process as soon as possible to satisfy our required bargaining obligations. Negotiations completed by September 2005, will permit the issuance of an electronic W-2 and LES for members and employees that sign on to the myPay website, resulting in substantial cost savings.

Please provide a quarterly status report of your efforts to complete negotiations with exclusive representatives to Mr. Robert Bird via e-mail at: robert.bird@dfas.mil, or telephone at 703-602-5279.



David S. C. Chu
Under Secretary of Defense
(Personnel and Readiness)



Tina W. Jonas
Under Secretary of Defense
(Comptroller)